

The American national interest and global public goods

JOSEPH S. NYE JR★

During the Cold War, containment of Soviet power provided a north star to guide American foreign policy. Historically, however, the Cold War era was an anomalous period of consensus about the central concern of foreign policy (and even then it involved bitter disputes over Vietnam and Central America); more often, confusion has been the rule. For example, ethnic differences coloured appraisals of whether the United States should enter the First World War, and economic interests have always played an important role in the making of American foreign policy.¹ A careful study of American definitions of national interests in the 1890s, 1930s, and 1980s concludes that there is no single national interest. 'Analysts who assume that America has a discernible national interest whose defense should determine its relations with other nations are unable to explain the persistent failure to achieve domestic consensus on international objectives.'²

This was particularly true in the 1990s. After the collapse of the Soviet Union, no country could match or balance the United States. It had unsurpassed global military, economic, and cultural power. The Gulf War at the beginning of the decade was an easy victory; and at the end of the decade, America bombed Serbia without suffering a single casualty. The economy grew and the stock market boomed. The United States resembled Britain in its mid-Victorian glory, but with even greater global reach.

But Americans were largely indifferent and uncertain about how to shape a foreign policy to guide this power. Polls showed the American public focused on domestic affairs and paying little attention to the rest of the world. Between 1989 and 2000, the television networks closed foreign bureaus and cut their foreign news content by two-thirds. Foreign affairs played little role in the 2000

★ This article draws upon Joseph Nye's new book, *The paradox of American power* (Oxford: Oxford University Press, 2002).

¹ Charles A. Beard, *The idea of the national interest* (New York: Macmillan, 1934).

² Peter Trubowitz, *Defining the national interest: conflict and change in American foreign policy* (Chicago: University of Chicago Press, 1998), p. 12.

presidential elections. And many of those Americans who did pay attention to foreign policy became arrogant about the country's power, arguing that it did not need to heed other nations.

American public opinion and the national interest

When the majority of the American public is indifferent and complacent about international affairs, the battlefields of foreign policy are left to those with special interests. The result is a narrow definition of the US national interest that often alienates other countries. Take the apparent paradox of American refusal to pay UN dues in the 1990s, despite a consistent majority being in favour of the United Nations. A large part of the reason was the intensity of preferences of a minority. Many of the political activists who turned out to vote in Republican primaries (often only a fifth of the electorate) strongly believed that the UN was a threat to national sovereignty, and for them, the dues issue was very important. Though they constituted a minority of the public, theirs was the voice that Congress heard in determining the American interest.³ Moreover, that voice was amplified by the ideology of important committee chairs such as Senator Jesse Helms, and by special-interest tactics of linking payment of dues to unrelated issues such as abortion.

The US Congress pays attention to squeaky wheels, and special interest groups press it to legislate the tactics of foreign policy and codes of conduct with sanctions for other countries. As Henry Kissinger pointed out, 'What is presented by foreign critics as America's quest for domination is very frequently a response to domestic pressure groups'. The cumulative effect 'drives American foreign policy towards unilateral and bullying conduct. For unlike diplomatic communications, which are generally an invitation to dialogue, legislation translates into a take-it-or-leave-it prescription, the operational equivalent of an ultimatum.'⁴ The results can be costly. As the German commentator Joseph Joffe warns, 'To the extent that the United States turns unilateralism into a habit or cuts its contribution to the production of public goods, others will feel the sting of American power more strongly. And the incentive to discipline Mr. Big will grow'.⁵

Attitudes towards globalization are another potential Achilles heel. Americans are not immune to protectionist backlash, and support for economic globalization is often more fragile than it at first appears. For example, trade promotion authority passed the House of Representatives by only one vote in the autumn of 2001, after strong efforts by the Bush administration. A wide range of public opinion surveys report that a plurality or majority opposes policies aimed at further liberalization of trade, immigration and foreign direct investment. These attitudes—which align strongly with labour market skills, with lower-wage employees more likely to be negative—reflect not simply ignorance of the

³ Steven Kull, 'What the public knows that Washington doesn't', *Foreign Policy*, Winter 1995–6, p. 114.

⁴ Henry Kissinger, 'America at the apex', *The National Interest*, Summer 2001, p. 15.

⁵ Josef Joffe, 'Who's afraid of Mr Big?', *ibid.*, p. 52.

benefits but a feeling that the costs of economic insecurity may be more important.⁶ Such attitudes may be reinforced by the new anxiety about terrorism.

Polls show a divergence between the attitudes of the public and those of political leaders in response to questions about the priority to be given to 'protecting the jobs of American workers'. Four-fifths of the public rank this as 'very important', compared to just 45 per cent for leaders.⁷ Less skilled workers—a group that constitutes the majority of the US labour force—'have experienced close to zero or even negative real-wage growth, despite renewed progress in recent years, and have also seen sharp declines in their wages relative to more-skilled workers ... Popular support for further liberalization is likely to be conditioned on effective governmental assistance to help workers adjust to its adverse effects.'⁸

Unilateralism or multilateralism: an old debate revisited

Some argue that these problems of defining the national interest were swept away in the wake of 11 September 2001, and it is certainly true that countering terrorism brought a new energy and focus to American foreign policy. Others see the successful campaign in Afghanistan as evidence that unilateralism works, and warn against entangling coalitions.⁹ Many observers at home and abroad believe that the United States still pursues a narrow and arrogant conception of its national interest. How should America guide its foreign policy in a global information age? Some in the current foreign policy debates look at the US preponderance in power and see a modern empire. For example, self-styled 'neo-Reaganites' advocate a foreign policy of 'benign American hegemony'. Since American values are good and we have the military power, we should not feel restrained by others. In their eyes, 'Americans should understand that their support for American pre-eminence is as much a boost for international justice as any people is capable of giving. It is also a boon for American interests and for what might be called the American spirit'.¹⁰

But many conservative realists as well as liberals believe that such views smack of hubris and arrogance that alienate our friends. Americans have always viewed their country as exceptional, but even the Declaration of Independence expressed 'a decent respect for the opinions of mankind'. If we are truly acting in the interests of others as well as our own, we would presumably accord to others a substantial voice and, by doing so, end up embracing some form of multilateralism.¹¹ As our allies point out, even well-intentioned Americans are not

⁶ Kenneth F. Scheve and Matthew J. Slaughter, *Globalization and the perceptions of American workers* (Washington DC: Institute for International Economics, 2001).

⁷ United States Information Agency Opinion Analysis, M-162-99, 20 Aug. 1999, p. 1.

⁸ Fred Bergsten, 'Preface', in Scheve and Slaughter, *Globalization and the perceptions of American workers*, p. x.

⁹ See Charles Krauthammer, 'Unilateral? Yes indeed', *Washington Post*, 14 Dec. 2001, p. A45. See also Richard Perle's comments in 'Sept. 11: a conversation', *The National Interest*, special issue, Thanksgiving 2001, pp. 82–95.

¹⁰ Robert Kagan and William Kristol, 'The present danger', *The National Interest*, Spring 2000, pp. 58, 64, 67.

¹¹ Robert W. Tucker, 'American power—for what?' a symposium, *Commentary* 109, Jan. 2000, p. 46.

exempt from Lord Acton's famous warning that power can corrupt. Learning to define its national interest to include global interests will be crucial to how long the United States' power lasts and whether others see the 'hegemony' as benign or not.

Americans are divided over how to be involved with the rest of the world. At the end of the Cold War, many observers were haunted by the spectre of the return of American isolationism. But the historic debate today is taking place not only between isolationists and internationalists, but also within the internationalist camp between unilateralists and multilateralists. Isolationists who think the United States can avoid vulnerability to terrorism by drawing inwards fail to understand the realities of a global information age. At the same time, the new unilateralists who urge us unashamedly to use American dominance of the information economy on behalf of self-defined global ends are offering a recipe for undermining America's soft power—the power of attraction that is associated with ideas, cultures, and policies—and encouraging others to create the coalitions that will eventually limit our hard power.

When Condoleezza Rice, now the national security adviser, wrote during the 2000 election campaign that we should 'proceed from the firm ground of the national interest and not from the interest of an illusory international community', what disturbed America's European allies was 'the assumption that a conflict between the pursuit of national interest and commitment to the interests of a far-from-illusory international community necessarily exists'.¹² The ties that bind the international community may be weaker than domestic ties, but they matter. Democratic leaders who fail to reflect their nation's interest are unlikely to be re-elected, and it is in America's interest to preserve its pre-eminent position. But global interests can be incorporated into a broad and far-sighted concept of the national interest. After all, terrorism is a threat to all societies; international trade benefits the United States as well as others; global warming will raise sea levels along all America's coasts as well as those of other countries; infectious diseases can arrive anywhere by ship or plane; and financial instability can hurt the whole world economy.

In addition to such concrete interests, many Americans want 'global values' incorporated into our national interest. There are strong indications that Americans' values operate in a highly global context—that our sphere of concern extends well beyond national boundaries. Seventy-three per cent agreed with the poll statement: 'I regard myself as a citizen of the world as well as a citizen of the United States', and 44 per cent agreed strongly.¹³ We need a broad definition of our national interest that takes account of the interests of others, and it is the role of our leaders to bring this into popular discussions. An enlightened national interest need not be myopic.

¹² Peter Ludlow, 'Wanted: a global partner', *Washington Quarterly*, Summer 2001, p. 167.

¹³ Program on International Policy Attitudes, 'Americans on globalization: a study of US public attitudes' (University of Maryland, 1999), p. 8.

Traditionalists distinguish between a foreign policy based on values and a foreign policy based on interests. They describe as vital those interests that would directly affect our safety and thus merit the use of force in their defence—for example, to prevent attacks on the United States, to prevent the emergence of hostile hegemony in Asia or Europe, to prevent hostile powers on our borders or in control of the seas, and to ensure the survival of US allies.¹⁴ Promoting human rights, encouraging democracy or developing specific economic sectors are relegated to a lower priority.

This approach is too narrow, as humanitarian interests are also important to our lives and our foreign policy. Certainly, national strategic interests are vital and deserve priority, because if we fail to protect them our very survival will be at stake. For example, today countering and suppressing catastrophic terrorism will deserve the priority that was devoted to containing Soviet power during the Cold War.¹⁵ Survival is the necessary condition of foreign policy; but it is not all there is to foreign policy. Moreover, the connection between some events (for example, Iraq's invasion of Kuwait, or a North Korean missile test) and a threat to our national survival may involve a long chain of causes. People can disagree about how probable any link in the chain is and thus about the degree of the threat to our survival. Consequently, reasonable people can disagree about how much 'insurance' they want our foreign policy to provide against remote threats to a vital interest before we pursue other values such as human rights.

In a democracy, the national interest is simply what citizens, after proper deliberation, say it is. It is broader than vital strategic interests, though they are a crucial part. It can include values such as human rights and democracy, particularly if the American public feels that those values are so important to our identity or sense of who we are that people are willing to pay a price to promote them. Values are simply an intangible part of the national interest. If the American people think that our long-term shared interests include certain values and their promotion abroad, then they become part of the national interest. Leaders and experts may point out the costs of indulging certain values, but if an informed public disagrees, experts cannot deny the legitimacy of their opinion.

Determining the national interest involves more than just collecting poll results. It means sifting opinion after public discussion and deliberation. That is why it is so important that our leaders do a better job of discussing a broad formulation of our national interest. Democratic debate is often messy and does not always come up with the 'right' answers. Nonetheless, it is difficult to see a better way to decide on the national interest in a democracy. A better-informed political debate is the only way for Americans to determine how broadly or narrowly to define their interests.

¹⁴ *America's national interests: a report from the Commission on America's National Interests* (co-chairs Robert Ellworth, Andrew Goodpaster and Rita Hauser, 1996), p. 13.

¹⁵ See Ashton Carter, John Deutch and Philip Zelikow, *Catastrophic terrorism: elements of a national policy* (Cambridge, MA: Belfer Center for Science and International Affairs, Harvard University, 1998). See also Joseph S. Nye Jr and R. James Woolsey, 'Perspective on terrorism', *Los Angeles Times*, 1 June 1997, p. M-5.

The limits of American power

Even when we agree that values matter in determining the US national interest, the difficult task is figuring out how to bring them to bear in particular instances. Many Americans found Russia's war in Chechnya deeply offensive, but there were practical limits to what we could do about it because Russia remains a nuclear power. The United States, given its size, has more margin of choice than most countries do. But power is always changing, and it is not always clear how much can we chew. The danger posed by the outright champions of hegemony is that their foreign policy is all accelerator and no brakes. Their focus on unipolarity and hegemony exaggerates the degree to which the United States is able to get the outcomes it wants in a changing world.

Power in a global information age is distributed rather like a three-dimensional chess game. The top military board is unipolar, with the United States far outstripping all other states, but the middle economic board is multipolar, with the United States, Europe and Japan accounting for two-thirds of world product, and the bottom board of transnational relations that cross borders outside the control of governments has a widely dispersed structure of power. While it is important not to ignore the continuing importance of military force for some purposes, the hegemonists' focus on military strength can blind us to the limits of our power. As we have seen, American power is not equally great in the economic and transnational dimensions. Not only are there new actors to consider in these domains, but many of the transnational issues—whether financial flows, the spread of AIDS, or global warming—cannot be resolved without the cooperation of others. Where collective action is a necessary part of obtaining the outcomes we want, our power is by definition limited and the United States is bound to share.

We must also remember that, while both hard and soft power are important, in a global information age soft power is becoming even more so than in the past. It matters that half a million foreign students want to study in the United States each year, that Europeans and Asians want to watch American films and TV, that American liberties are attractive in many parts of the world, and that others respect us and want to follow our lead when we are not too arrogant. Our values are significant sources of soft power. Massive flows of cheap information have expanded the number of transnational channels of contacts across national borders. Global markets and non-governmental organizations now play a larger role, and many possess soft power resources. States are more easily penetrated and less like the classic military model of sovereign billiard balls bouncing off one another.

The United States, with its open democratic society, will benefit from the rapidly developing global information age if it develops a better understanding of the nature and limits of its power. Its institutions will continue to be attractive and the openness of its society will continue to enhance its credibility. Thus, as a country, it will be well placed to benefit from soft power. But since

much of this soft power is the unintended by-product of social forces, the government will often find it difficult to manage.

The good news is that the social trends of the global information age are helping to shape a world that will be more congenial to American values in the long run. But the soft power that comes from being a shining 'city upon a hill' (as the Puritan leader John Winthrop first put it) does not provide the coercive capability that hard power does. Soft power is crucial, but alone it is not sufficient. Both hard and soft power will be necessary for successful foreign policy in a global information age. Our leaders must make sure that they exercise our hard power in a manner that does not undercut our soft power.

Grand strategy and global public goods

How should Americans set their priorities in a global information age? What grand strategy would allow the United States to steer between the 'imperial overstretch' that would arise out of the role of global policeman and the mistake of isolationism? The place to start is with an understanding of the relationship of American power to global public goods. On one hand, American power is less effective than it might first appear. We cannot do everything. On the other hand, the United States is likely to remain the most powerful country well into this century, and this gives Americans an interest in maintaining a degree of international order. More concretely, there are two simple and related reasons why Americans have a national interest beyond our borders. First, events out there can be harmful to the United States; and second, the United States wants to influence distant governments and organizations on a variety of issues such as proliferation of weapons of mass destruction, terrorism, drugs, trade, resources and ecological damage. As we discovered in September 2001, even a poor, remote country can harbour forces that can harm us.

To a large extent, international order is a public good—something everyone can consume without diminishing its availability to others.¹⁶ A small country can benefit from peace in its region, freedom of the seas, suppression of terrorism, open trade, control of infectious diseases or stability in financial markets at the same time as the United States does without diminishing the benefits to the United States or others. Of course, pure public goods are rare. And sometimes things that look good in our eyes may look bad in the eyes of others. Too narrow an appeal to public goods can become a self-serving ideology for the powerful. But these caveats are a reminder to consult with others, not a reason to discard an important strategic principle that helps us set priorities and reconcile our national interests with a broader global perspective.

If the largest beneficiary of a public good (for example, the United States) does not take the lead in directing disproportionate resources towards its provision,

¹⁶ For a full discussion of the complexity and problems of definition, see Inge Kaul, Isabelle Grunberg and Marc A. Stern, eds, *Global public goods: international cooperation in the 21st century* (New York: Oxford University Press, 1999). Strictly defined, public goods are non-rivalrous and non-exclusionary.

the smaller beneficiaries are unlikely to be able to produce it, because of the difficulties of organizing collective action when large numbers are involved.¹⁷ While this responsibility of the largest often lets others become 'free riders', the alternative is that the collective bus does not move at all.

This puts a different twist on former secretary of state Madeleine Albright's frequently voiced phrase that the United States is 'the indispensable nation'. We do not get a free ride. To play a leading role in producing public goods, the United States will need to invest in both hard power resources and the soft power resources of setting a good example. The latter will require more self-restraint on the part of Congress as well as putting our own house in order in economics, environment, criminal justice and so forth. The rest of the world likes to see the United States lead by example, but when 'America is seen, as with emission standards, to put narrow domestic interests before global needs, respect can easily turn to disappointment and contempt'.¹⁸

Increasing hard power will require an investment of resources in the non-military aspects of foreign affairs that Americans have recently been unwilling to make. While Congress has been willing to spend 16 per cent of the national budget on defence, the percentage devoted to international affairs has shrunk from 4 per cent in the 1960s to a little over 1 per cent today, despite increases announced by President Bush in 2002.¹⁹ Our military strength is important, but it is not sixteen times more important than our diplomacy. Over a thousand people work on the staff of the smallest regional military command headquarters, far more than the total assigned to the Americas at the Departments of State, Commerce, Treasury, and Agriculture.²⁰ The military rightly plays a role in our diplomacy, but we are investing in our hard power in overly militarized terms.

As Secretary of State Colin Powell has pleaded to Congress, the United States needs to put more resources into the State Department, including its information services and the Agency for International Development (AID), if we are going to get our messages across. A bipartisan report on the situation of the State Department recently warned that 'if the "downward spiral" is not reversed, the prospect of relying on military force to protect United States national interests will increase because Washington will be less capable of avoiding, managing or resolving crises through the use of statecraft'.²¹ Moreover, the abolition of the United States Information Agency (which promoted American government views abroad) as a separate entity and its absorption into the State Department reduced the effectiveness of one of our government's important instruments of

¹⁷ Mancur Olson, *The logic of collective action: public goods and the theory of groups* (Cambridge, MA: Harvard University Press, 1965).

¹⁸ Philip Bowring, 'Bush's America is developing an image problem', *International Herald Tribune* 31 May 2001, p. 8.

¹⁹ Richard N. Gardner, 'The one percent solution', *Foreign Affairs*, July–Aug. 2000, p. 3.

²⁰ Dana Priest, 'A four star foreign policy?' *Washington Post*, 28 Sept. 2000, p. 1.

²¹ Robin Wright, 'State Dept. mismanaged, report says', *Los Angeles Times*, 30 Jan. 2001, p. 10.

soft power.²² It is difficult to be a superpower on the cheap—or through military means alone.

In addition to better means, the United States needs a strategy for their use. A grand strategy must first ensure survival, but then it should focus on providing *global* public goods. We gain doubly from such a strategy: from the public goods themselves, and from the way they legitimize our power in the eyes of others. That means we should give top priority to those aspects of the international system which, if not attended to properly, would have profound effects on the basic international order and therefore on the lives of large numbers of Americans as well as others. The United States can learn from the lesson of Great Britain in the nineteenth century, when it was also a preponderant power. Three public goods that Britain attended to were (1) maintaining the balance of power among the major states in Europe, (2) promoting an open international economic system, and (3) maintaining open international commons such as the freedom of the seas and the suppression of piracy.

All three translate relatively well to the current American situation. Maintaining regional balances of power and dampening local incentives to use force to change borders provides a public good for many (but not all) countries. The United States helps to ‘shape the environment’ (in the words of the Pentagon’s quadrennial defence review) in various regions, and that is why we keep roughly a hundred thousand troops forward-based in Europe, the same number in Asia, and some twenty thousand near the Persian Gulf. The American role as a stabilizer and reassurance against aggression by aspiring hegemonies in key regions is a blue-chip issue. In this area, we are on the right track, and we should not abandon these regions, as some have recently argued.

Promoting an open international economic system is good for American economic growth and is good for other countries as well. Openness of global markets is a necessary (though not sufficient) condition for alleviating poverty in poor countries even as it benefits the United States. In addition, in the long term, economic growth is also more likely to foster stable, democratic societies with robust middle classes in other countries, though the time-scale may be quite lengthy. To keep the system open, the United States must resist protectionism at home and support international economic institutions such as the World Trade Organization, the International Monetary Fund and the Organization for Economic Cooperation and Development, which provide a framework of rules for the world economy.

The United States, like nineteenth-century Britain, has an interest in keeping international commons, such the oceans, open to all. Here our record is mixed. It is good on traditional freedom of the seas. For example, in 1995, when Chinese claims to the Spratly Islands in the South China Sea sparked concern in Southeast Asia, the United States avoided the conflicting claims of various states

²² The United States Advisory Commission on Public Diplomacy, *Consolidation of USIA into the State Department: an assessment after one year* (Washington DC, Oct. 2000).

to the islets and rocks, but issued a statement reaffirming that the sea should remain open to all countries. China then agreed to deal with the issue under the Law of the Seas Treaty. Today, however, the international commons include new issues such as global climate change, preservation of endangered species and the uses of outer space, as well as the virtual commons of cyberspace. But on some issues, such as the global climate, the United States has taken less of a lead than is necessary. The establishment of rules that preserve access for all remains as much a public good today as in the nineteenth century, even though some of the issues are more complex and difficult than freedom of the seas.

These three classic public goods enjoy reasonably consensual support in American public opinion, and some can be provided in part through unilateral actions. But there are also three new dimensions of global public goods in today's world. First, the United States should help develop and maintain international regimes of laws and institutions that organize international action in various domains—not just trade and environment, but weapons proliferation, peace-keeping, human rights, terrorism and other concerns. Terrorism is to the twenty-first century what piracy was to an earlier era. Some governments gave pirates and privateers safe harbour to earn revenues or to harass their enemies. As Britain became the dominant naval power in the nineteenth century, it suppressed piracy, and most countries benefited from that situation. Today, some states have harboured terrorists in order to attack their enemies or because they are too weak to control powerful groups. If America's campaign against terrorism is seen as unilateral or biased, it is likely to fail; but if the United States convenes broad coalitions to suppress terrorism, it has a greater prospect of success. While anti-terrorism will not be seen as a global public good by the groups that attack us, our objective should be to isolate them and diminish the minority of states that give them harbour.

The United States must also make international development a higher priority, for it is an important global public good as well. Much of the poor majority of the world is in turmoil, mired in vicious circles of disease, poverty and political instability. Large-scale financial and scientific help from rich countries is important not only for humanitarian reasons but also, as Harvard economist Jeffrey Sachs has argued, 'because even remote countries become outposts of disorder for the rest of the world.'²³ Here our record is less impressive. Our foreign aid budget has shrunk to 0.1 per cent of our GNP, roughly one-third of European levels, and our protectionist trade measures often hurt poor countries most. Foreign assistance is generally unpopular with the American public, in part (as polls show) because they think we spend fifteen to twenty times more on it than we do. If our political leaders appealed more directly to our humanitarian instinct as well as our interest in stability, our record might improve. As President Bush said in July 2001, 'This is a great moral challenge'.²⁴ To be sure, aid is not

²³ Jeffrey Sachs, 'What's good for the poor is good for America', *The Economist*, 14 July 2001, pp. 32–3.

²⁴ 'Bush proposes aid shift to grants for poor nations', *New York Times*, 18 July 2001, p. A1.

sufficient for development, and opening our markets, strengthening accountable institutions and discouraging corruption are even more important.²⁵ Development will take a long time, and we need to explore better ways to make sure that our help actually reaches the poor; but both prudence and a concern for our soft power suggest that we should make development a higher priority.

As a preponderant power, the United States can provide an important public good by acting as a mediator. By using our good offices to mediate conflicts in places such as Northern Ireland, the Middle East or the Aegean Sea, the United States can help in shaping international order in ways that are beneficial to us as well as to other nations. It is sometimes tempting to let intractable conflicts fester, and there are some situations where other countries can more effectively play the mediator's role. Yet even when we do not want to take the lead, our participation can be essential—witness our work with Europe to try to prevent civil war in Macedonia. Often, the United States is the only country that can bring parties together at relatively low cost to itself. And when we are successful, we enhance our reputation and increase our soft power at the same time that we reduce a source of instability.

Thus a strategy for the United States, based on global public goods, could be summarized as follows:

- Maintain the balance of power in important regions.
- Promote an open international economy.
- Preserve international commons.
- Maintain international rules and institutions.
- Assist economic development.
- Act as convenor of coalitions and mediator of disputes.

Conclusion: peering into the future

The September 2001 wake-up call means that Americans are unlikely to slip back into the complacency that marked the first decade after the Cold War. If we respond effectively, it is highly unlikely that terrorists could destroy American power, but the campaign against terrorism will require a long and sustained effort. At the same time, the United States is unlikely to face a challenge to its pre-eminence unless it acts so arrogantly that it helps other states to overcome their built-in limitations. The one entity with the capacity to challenge the United States in the near future is the European Union, if it were to become a tight federation with major military capabilities and if relations across the Atlantic were allowed to sour.

Such an outcome is possible, but would require major changes in Europe and considerable ineptitude in American policy to bring it about. Nonetheless, even

²⁵ William Easterly, 'The failure of development', *Financial Times*, 4 July 2001, p. 32; Dani Rodrik, *The new global economy and developing countries: making openness work* (Washington DC: Overseas Development Council, 1999).

short of such a challenge, the diminished fungibility of military power in a global information age means that Europe is already well placed to balance the United States on the economic and transnational chessboards. Even short of a military balance of power, other countries may be driven to work together to take actions to complicate American objectives. Or, as the French critic Dominique Moisi puts it, 'The global age has not changed the fact that nothing in the world can be done without the United States. And the multiplicity of new actors means that there is very little the United States can achieve alone'.²⁶

The United States can learn useful lessons about a strategy of providing public goods from the history of the Pax Britannica. An Australian analyst may be right in her view that if the United States plays its cards well and acts not as a soloist but as the leader of a concert of nations, 'the Pax Americana, in terms of its duration, might ... become more like the Pax Romana than the Pax Britannica'.²⁷ If so, American soft power will play a major role. As Henry Kissinger has argued, the test of history for the United States will be whether we can turn our current predominant power into international consensus and our own principles into widely accepted international norms. That was the greatness achieved by Rome and Britain in their times.²⁸

²⁶ Dominique Moisi, 'The real crisis over the Atlantic', *Foreign Affairs*, July–Aug. 2001, p. 153.

²⁷ Coral Bell, 'American ascendancy—and the pretense of concert', *The National Interest*, Fall 1999, p. 60.

²⁸ Henry Kissinger, 'Our nearsighted world vision', *Washington Post*, 10 Jan. 2000, p. A19.